

D. Funding

Bicycle funding is administered at all levels of government. This chapter begins with explaining the current state of federally-administered funding and the anticipated new transportation bill, which influences State, regional and local funding and is followed by a description of funding sources that may be pursued to implement facilities and programs in this Plan.

The Greenville Transit Authority (GTA) plays a central role in the distribution of transportation funds at the local level. As the officially recognized recipient of all Federal DOT money, GTA makes funding available to the Greenville region. The grant is submitted annually after the apportionment has been announced. At least one percent of the annual total must be used for transit enhancement, one option being bike and bike related projects. However, GTA is not limited to this total should they choose to spend more of their annual apportionment on bicycle related projects. Whereas, most federal funding is available at an 80/20 match (meaning that 80 percent of the cost of a capital item is covered by federal dollars and 20 percent is provided by from local sources), bicycle related transit enhancement projects are reimbursable at 95 percent up to the required one percent of the annual apportionment and at 90 percent for any costs that exceeds this amount.

D.1. Federally-Administered Funding

SAFETEA-LU, the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users, is the primary federal funding source for bicycle projects. SAFETEA-LU is the fourth iteration of the transportation vision established by the Intermodal Surface Transportation Efficiency Act (1991). Also known as the federal transportation bill, Congress passed the \$286.5 billion SAFETEA-LU bill in 2005. SAFETEA-LU expired in 2009, at which time Congress approved extending funds through 2010. When the next multi-year federal transportation bill is reauthorized, funding available for bicycle projects is likely to change. Historically, these modes have received larger allocations with each new multi-year transportation bill.

SCDOT and regional planning agencies administer SAFETEA-LU funding. Most, but not all of these funding programs emphasize transportation modes and purposes that reduce auto trips and provide inter-modal connections. SAFETEA-LU programs require a local match of between zero percent and 20 percent. SAFETEA-LU funds primarily capital improvements and safety and education programs that relate to the surface transportation system.

To be eligible for Federal transportation funds, States are required to develop a State Transportation Improvement Program (STIP) and update it at least every four years. A STIP is a multi-year capital improvement program of transportation projects that coordinates transportation-related capital improvements planned by metropolitan planning organizations and the state. Bicycle projects are eligible for inclusion.

The following programs are administered by the Federal government.

D.1.1. Transportation, Community and System Preservation (TCSP) Program

- A. The Transportation, Community and System Preservation (TCSP) Program provides federal funding for transit oriented development, traffic calming and other projects that improve the efficiency of the transportation system, reduce the impact on the environment, and provide efficient access to jobs,

services and trade centers. The program provides communities with the resources to explore the integration of their transportation system with community preservation and environmental activities. TCSP Program funds require a 20 percent match. Congress appropriated \$204 million to this program in Fiscal Year 2009. Funding has been extended under a continuing resolution for FY 2010.

Online resource: <http://www.fhwa.dot.gov/tcsp/>

D.1.2. Rivers, Trails and Conservation Assistance Program

The Rivers, Trails and Conservation Assistance Program (RTCA) is a National Parks Service program that provides technical assistance via direct staff involvement, to establish and restore greenways, rivers, trails, watersheds and open space. The RTCA program provides only for planning assistance—there are no implementation monies available. Projects are prioritized for assistance based upon criteria that include conserving significant community resources, fostering cooperation between agencies, serving a large number of users, encouraging public involvement in planning and implementation and focusing on lasting accomplishments.

Online resource: http://www.nps.gov/nrcr/programs/rtca/contactus/cu_apply.html

D.1.3. National Scenic Byways Program

The National Scenic Byways Program identifies roads with outstanding scenic, historic, and cultural, natural, recreational, and archaeological qualities as National Scenic Byways. The program provides funding for scenic byway projects and for planning, designing, and developing scenic byway programs. There is a 20 percent match requirement. National Scenic Byways Program can be used to fund on-street and off-street bicycle facilities, intersection improvements, user maps and other publications. Within Greenville County, Highway 11 is designated as both a National Scenic Byway and a South Carolina Scenic Byway.

Nationally, \$3 million were available each fiscal year between 2006 and 2009. Grant applications for National Scenic Byways Programs are forwarded to the FHWA division office by the state scenic byways coordinator.

Federal Fact Sheet: <http://www.fhwa.dot.gov/safetealu/factsheets/scenic.htm>

National Scenic Byways Program: <http://www.bywayonline.org/grants/>

D.2.State-Administered Funding

The State of South Carolina uses both federal sources and its own budget to fund the following bicycle projects and programs. It should be noted, however, that transit enhancement funding is the primary means through which the State allocates funding for bicycle related projects. This funding can be ascertained by applying either through the local metropolitan planning organization (Greenville Pickens Area Transportation Study) or GTA as referenced above.

D.2.1. Safe Routes to School (SR2S)

The purpose of the Safe Routes to Schools program is to provide children a safe, healthy alternative to riding the bus or being driven to school. The SR2S Grants were established to address pedestrian and bicycle mobility and safety near schools. SCDOT is responsible for administration of SR2S funding. Application for these funds is open to any public agency. Agencies providing a funding match will be given preference.

Eligible projects may include three elements:

- Engineering Improvements. These physical improvements are designed to reduce potential bicycle and pedestrian conflicts with motor vehicles. Physical improvements may also reduce motor vehicle traffic volumes around schools, establish safer and more accessible crossings, or construct walkways, trails or bikeways. Eligible improvements include sidewalk improvements, traffic calming/speed reduction, pedestrian and bicycle crossing improvements, on-street bicycle facilities, off-street bicycle and pedestrian facilities, and secure bicycle parking facilities.
- Education and Encouragement Efforts. These programs are designed to teach children safe bicycling and walking skills while educating them about the health benefits, and environmental impacts. Projects and programs may include creation, distribution and implementation of educational materials; safety based field trips; interactive bicycle/pedestrian safety video games; and promotional events and activities (e.g., assemblies, bicycle rodeos, walking school buses).
- Enforcement Efforts. These programs aim to ensure that traffic laws near schools are obeyed. Law enforcement activities apply to cyclists, pedestrians and motor vehicles alike. Projects may include development of a crossing guard program, enforcement equipment, photo enforcement, and pedestrian sting operations.

South Carolina's SR2S funding program, which was updated in 2010, has provided up to \$200,000 per school for infrastructure and non-infrastructure improvement programs. 90% of the funding must be used for infrastructure. Because the grants are competitive and statewide funding limited, only one school in a given municipality is likely to receive funding. All projects must be within two-miles of primary or middle schools (K-8). Project proposals are due in early May.

The Federal Safe Routes to School Program has been extended through December 31, 2010, and may be included in the future federal transportation bill.

Currently, Augusta Circle Elementary and Fountain Inn Elementary are the only two counties in Greenville identified as "partner schools" on the South Carolina Safe Routes to School webpage. The program website provides a strategies manual, links to "success stories" for SR2S, and funding application information.

Online resource: <http://www.scdot.org/community/saferoutes.shtml>

D.2.2. Recreational Trails Program

The Recreational Trails Program (RTP) of SAFETEA-LU allocates funds to states to develop and maintain recreational trails and trail-related facilities for both non-motorized and motorized recreational trail uses. Examples of trail uses include hiking, bicycling, in-line skating, equestrian use, and other non-motorized and motorized uses. The RTP funds are administered by the South Carolina Department of Parks, Recreation, and Tourism. In FY2010, South Carolina received an apportionment of \$1.22 million. A minimum 20 percent local match (in-kind is eligible) is required and grants are awarded annually. State and local agencies are permitted to apply for funds. RTP projects must be ADA-compliant and may be used for:

- Maintenance and restoration of existing trails
- Purchase and lease of trail construction and maintenance equipment
- Construction of new trails, including unpaved trails

- Acquisition of easements or property for trails
- State-administrative costs related to this program (limited to seven percent of a State's funds)
- Operation of educational programs to promote safety and environmental protection related to trails (limited to five percent of a State's funds).

Applicants must submit a Letter of Intent in order to be eligible to apply for a grant. Applications are due in March and awarded in July of each year. Minimum grant amount is \$10,000 with a maximum amount of \$100,000. Applicants can be municipal, state, or federal government, or for- or non-profit organizations. SC's Parks, Recreation, and Tourism grants must be used for construction (no more than 5% for planning or engineering).

Online resource: <http://www.scprt.com/our-partners/grants/trails.aspx>

D.2.3. Highway Safety Improvement Program

The Highway Safety Improvement Program funds are allocated to States as part of SAFETEA-LU. The goal of HSIP funds is to achieve a significant reduction in traffic fatalities and serious injuries on all public roads. This program includes the Railway-Highway Crossings Program and the High Risk Rural Roads Program. As required under the Highway Safety Improvement Program (HSIP), the South Carolina Department of Transportation has developed and is in the process of implementing a Strategic Highway Safety Plan (SHSP). A portion of the HSIP funds allocated to each state is set aside for construction and operational improvements on high-risk rural roads. If the state has a Strategic Highway Safety Plan, the remainder of the funds may be allocated to other programs, including projects on bicycle pathways or trails and education and enforcement. A local match of 10% is required.¹

South Carolina has steadily improved its ratio of obligated HSIP funds to apportioned HSIP funds. In 2006, the state obligated 11.2% of apportioned funds and in 2010, the state obligated 77.2% of funds.²

Federal HSIP online resource: <http://www.fhwa.dot.gov/safetealu/factsheets/hsip.htm>

D.2.4. Land and Water Conservation Fund

Land and Water Conservation Fund (LWCF) is a federally funded program, run through the National Park Service that provides grants for planning and acquiring outdoor recreation areas and facilities, including trails. The fund is administered by the South Carolina Department of Parks, Recreation and Tourism (SC PRT). The fund has been reauthorized until 2015.

Cities, counties, and districts authorized to acquire, develop, operate, and maintain park and recreation facilities are eligible to apply. Applicants must fund the entire project, and will be reimbursed for 50 percent of costs. Property acquired or developed under the program must be retained in perpetuity for public recreational use.

In 2011, SC PRT announced that the grant cycle will operate on a bi-annual basis rather than an annual basis. The next Letter of Intent for the solicitation of LWCF applications is anticipated in November 2011, with the next funding cycle to be held in the spring of 2012

¹ Additional online resources can be found at: <http://www.bikeleague.org/resources/reports/>

² Source: http://safety.fhwa.dot.gov/hsip/gen_info/slorthsip/

National Park Service website: <http://www.nps.gov/lwcf/>

SC PRT online resource: <http://www.scprt.com/our-partners/grants/lwcf.aspx>

D.2.5. Community Development Block Grants

The CDBG program funds projects and programs that develop viable urban communities by providing decent housing and a suitable living environment and by expanding economic opportunities, principally for persons of low and moderate income. Federal Community Development Block Grant Grantees may use CDBG funds for activities that include (but are not limited to) acquiring real property; building public facilities and improvements, such as streets, sidewalks, and recreational facilities; and planning and administrative expenses, such as costs related to developing a consolidated plan and managing CDBG funds. The state makes funds available to eligible agencies (cities and counties) through a variety of different grant types. The City of Greenville is the designated CDBG grantee for the region. Grantees enter into a contract with the state. Eligible agencies are determined based on a formula, and are listed on the HUD website.

Online resource: <http://www.hud.gov/offices/cpd/communitydevelopment/programs/index.cfm>

Eligible CDBG Agencies in South Carolina: <http://www.hud.gov/local/sc/community/cdbg/#state>

D.2.6. South Carolina Department of Transportation – Capitol Projects

South Carolina Department of Transportation can work closely with the City of Greenville to include bicycle and pedestrian improvements as part of major projects. It is recommended that the two organizations continue to liaise with one another on an ongoing basis to identify opportunities for implementation of the Greenville Bicycle Plan.

D.2.7. South Carolina Department of Transportation – Maintenance Program

South Carolina Department of Transportation carries out a number of road resurfacing projects annually that are geared at maintenance. There may be opportunities for road re-stripping to be completed as part of regular roadway maintenance. This will require coordination between the City, the SCDOT District Traffic Engineer and the local Maintenance office to ensure that the pavement marking design is safe for cyclists or drivers.

D.2.8. Statewide Transportation Improvement Program

The Statewide Transportation Improvement Program (STIP) is SCDOT's short-term capital improvement program, providing project funding and scheduling information for the department and South Carolina's metropolitan planning organizations. The program provides guidance for the next six years and is updated every three years. The South Carolina Department of Transportation Commission, as well as the Federal Highway Administration (FHWA) and Federal Transit Administration (FTA) approve the STIP.

In developing this funding program, SCDOT must verify that the identified projects comply with existing transportation and comprehensive plans and SAFETEA-LU planning requirements. The STIP must fulfill Federal planning requirements for a staged, multi-year, statewide, intermodal program of transportation projects. Specific transportation projects are prioritized based on Federal planning requirements and the different State plans.³

³ Additional information is available at: <http://www.scdot.org/inside/stip.shtml>

D.2.9. South Carolina Transportation Infrastructure Bank

The South Carolina Transportation Infrastructure Bank (SCTIB) is a statewide revolving loan fund designed in 1997 to assist major transportation projects in excess of \$100 million in value. The SCTIB has since approved more than \$4.5 billion in financial assistance and is arguably the largest and most active State Infrastructure Bank in the country.⁴

D.3. Locally-Administered Funding

Local funding sources are generally administered by Metropolitan Planning Organizations or other regional agencies. Counties or cities may administer some funding sources. These funding sources are supported by federal, state, or local revenue streams.

D.3.1. Regional Surface Transportation Program

The Regional Surface Transportation Program (RSTP) is a block grant program that provides funding for bicycle projects, among many other transportation projects. Under the RSTP, Metropolitan planning organizations, such as the Metropolitan Transportation Commission's (MTC), prioritize and approve project

D.3.2. Gas Tax

Federal and state gas taxes are currently split between capital improvement and maintenance programs. Gas tax funds can be used as the local match to leverage grant monies. In addition, the City could use revenues from a local gasoline tax to fund on-street bikeways and shared-use path improvements. Such a tax would require the state legislature would to give the City the authority to use a local option gas tax, and would require voter approval. Gaining approval can be challenging, especially with the changing cost of gas and ever-increasing maintenance needs. However, once established, the tax would be a relatively stable funding source for improvements.

D.3.3. General Fund

The General Fund is often used to pay for maintenance expenses and limited capital improvement projects. Projects identified for reconstruction or re-pavement as part of the Capital Improvements list should also implement recommendations for bicycle or pedestrian improvements in order to reduce additional costs.

D.3.4. Local Improvement Districts (LIDs)

Local Improvement Districts (LIDs) are most often used by cities to construct localized projects such as streets, sidewalks or bikeways. Through the LID process, the costs of local improvements are generally spread out among a group of property owners within a specified area. The cost can be allocated based on property frontage or other methods such as traffic trip generation.

Several cities have successfully used LID funds to make improvements on residential streets and for large scale arterial projects. LID formed to finance commercial street development can be “full cost,” in which the property assessments are entirely bourn by the property owners.

⁴ Additional information is available at:
<http://www.chiplimehouse.net/whisper/graphics/60565Connector%20Fall%202007%2012.pdf>

D.3.5. Business Improvement Area (BIA)

Pedestrian and bicycle improvements can often be included as part of larger efforts aimed at business improvement and retail district beautification. Business Improvement Areas collect levies on businesses in order to fund area-wide improvements that benefit businesses and improve access for customers. These districts may include provisions for pedestrian and bicycle improvements, such as wider sidewalks, landscaping, and ADA compliance.

D.3.6. Transportation User Fees

Transportation user fees are any group of additional fees that could be used to fund maintenance and improvement projects for non-motorized uses. Properties would be assessed fees based on the traffic generation by land use or business activity as published in the Institute of Transportation Engineers (ITE) Trip Generation Manual.

The fee could be a Street Maintenance Fee, to fund maintenance of the existing roadway system to free up dollars from the state gasoline tax for capital projects.

D.3.7. Local Bond Measures

The city could issue bonds to fund bicycle and/or pedestrian improvements. This would spread the cost of the improvements over the life of the bonds. Certain types of bonds would require voter approval. The debt would have to be retired, so funding for repayment on the bond and the interest would be required.

A bond issued in Denver, Colorado funded \$5 million for trail development and also funded the city's bike planner for several years. The City of Albuquerque, New Mexico and Bernalillo County have a 5 percent set-aside of street bond funds for trails and bikeways. This has amounted to approximately \$1.2 million for the City every two years.

D.3.8. Tax Increment Financing/Urban Renewal Funds

Tax Increment Financing (TIF) is a tool to use future gains in taxes to finance the current improvements that will create those gains. When a public project (e.g., shared-use path) is constructed, surrounding property values generally increase and encourage surrounding development or redevelopment. The increased tax revenues are then dedicated to finance the debt created by the original public improvement project. Tax Increment Financing typically occurs within designated Urban Renewal Areas (URA) that meet certain economic criteria and approved by a local governing body. To be eligible for this financing, a project (or a portion of it) must be located within the URA.

D.3.9. Street User/Street Utility Fees

The City could administer street user fees through residents' monthly water or other utility bills. The revenue generated by the street user fee is used for operations and maintenance of the street system, and priorities are established by the Public Works Department. Revenue from this fund could be used to maintain on-street bicycle and pedestrian facilities, including routine sweeping of bicycle lanes and other designated bicycle routes. Additionally, this type of fee may free up more general fund money for off-street projects. Implementation of street user fees would require a public vote.

D.3.10. Sales Taxes

Bicycle and pedestrian projects can be funded by a portion of local sales tax revenue or from a voter-approved sales tax increase. The City of Colorado Springs implemented a TOPS tax (Trails, Open Space and Parks) to administer the ordinance passed by voters in April of 1997. The sales tax, 1/10th of one percent, generates about \$6 million annually for trails, open space and parks.

D.3.11. Property Tax Levy

Seattle, Washington is receiving \$5 million a year for nine years for bicycle and pedestrian projects as a result of a levy (property tax) approved by voters in 2006.

D.3.12. Bike Tax

The City of Colorado Springs has a \$4.00 per bike tax to provide funding for bikeway improvements. The tax generates nearly \$100,000 annually and has been used for both on- and off-street projects. It is used primarily to provide a local match for other grants such as the Colorado State Trails Program or SAFETEA-LU grants. A bike tax is an annual fee; implementation would require a public vote.

D.3.13. Developer Impact Fees

Another potential local source of funding is developer impact fees, typically tied to trip generation rates and traffic impacts produced by a proposed project. A developer may reduce the number of trips (and hence impacts and cost) by paying for on- and off-site bikeway improvements that will encourage residents to bicycle rather than drive. Establishing a clear nexus or connection between the impact fee and the project's impacts is critical in avoiding a potential lawsuit.

D.3.14. Latecomer Fees

Latecomer fees are a mechanism that allows the City to recover pro-rata costs of a duly authorized public improvement from future developers, which receive benefit from the public improvement.

D.4. Other Sources

D.4.1. Community Action for a Renewed Environment (CARE)

CARE is a competitive grant program that offers an innovative way for a community to organize and take action to reduce toxic pollution in its local environment. Through CARE, a community creates a partnership that implements solutions to reduce releases of toxic pollutants and minimize people's exposure to them. By providing financial and technical assistance, EPA helps CARE communities get on the path to a renewed environment. Transportation and "smart-growth" types of projects are eligible. Grants range between \$75,000 and \$300,000.

Online resource: <http://www.epa.gov/care/>

D.4.2. Bikes Belong Grant

Bikes Belong is an organization sponsored by bicycle manufacturers with the intent to increase bicycle riding in the United States. Bikes Belong provides grant opportunities up to \$10,000 with a minimum 50 percent

match to organizations and agencies seeking to support facility and advocacy efforts. Eligible projects include bike paths, trails, and bridges, mountain bike facilities, bike parks, and BMX facilities.

Online resource: <http://www.bikesbelong.org/grants>

D.4.3. Robert Wood Johnson Foundation Grants

Robert Wood Johnson Foundation Grants are awarded to promote healthy communities and lifestyles. Most grants are awarded through Calls for Proposals for the seven program areas of the RWJ Foundation. The Berkeley-Charleston-Dorchester Council of Governments was awarded a RWJ Foundation grant to complete a regional bicycle and pedestrian action plan and, more recently, community coalitions in both Spartanburg and Greenville received grants through the Healthy Kids, Healthy Communities grant initiative of RWJ.

D.4.4. American Greenways Program

Administered by The Conservation Fund, the American Greenways Program provides funding for the planning and design of greenways. Applications for funds can be made by local regional or state-wide non-profit organizations and public agencies. The maximum award is \$2,500, but most range from \$500 to \$1,500. American Greenways Program monies may be used to fund unpaved trail development.

Online resource: <http://www.conservationfund.org/node/245>

D.4.5. Volunteer and Public-Private Partnerships

Local schools or community groups may use the bikeway projects as a project for the year, possibly working with a local designer or engineer. Work parties may be formed to help clear the right-of-way where needed. A local construction company may donate or discount services. A challenge grant program with local businesses may be a good source of local funding, where corporations ‘adopt’ a bikeway and help construct and maintain the facility.

D.4.6. Adopt a Bikeway, Sidewalk or Trail Program

A challenge grant program with local businesses may be a good source of local funding, where corporations ‘adopt’ a bikeway, sidewalk or trail and help maintain the facility. Foundation grants, volunteer work, and donations of in-kind services, equipment, labor or materials are other sources of support that can play a supporting role in gathering resources to design and build new bicycle and pedestrian facilities.

Residents and other community members are excellent resources for garnering support and enthusiasm for a bicycle and pedestrian facility, and the City should work with volunteers to substantially reduce implementation and maintenance costs. Local schools, community groups, or a group of dedicated neighbors may use the project as a goal for the year, possibly working with a local designer or engineer. Work parties can be formed to help clear the right-of-way for a new trail or maintain existing facilities where needed. A local construction company could donate or discount services. Other opportunities for implementation will appear over time, such as grants and private funds. The City should look to its residents for additional funding ideas to expedite completion of the bicycle and pedestrian system.

D.4.7. Local Businesses⁵

There is increasing corporate and business involvement in trail and conservation projects. Employers recognize that creating places to bike and walk is one way to build community and attract a quality work force. Bicycling and outdoor recreation businesses often support local projects and programs. Some examples include:

- In Evansville, Indiana, a boardwalk is being built with corporate donations from Indiana Power and Light Co. and the Wal-Mart Foundation.
- In Arizona, trail directional and interpretive signs are being provided by the Salt River Project — a local utility. Other corporate sponsors of the Arizona Trail are the Hughes Missile Systems, BHP Cooper, and Pace American, Inc.
- Recreational Equipment, Inc. has long been a financial supporter of local trail and conservation projects.
- The Kodak Company now supports the American Greenways Awards program of The Conservation Fund, which was started in partnership with the Dupont company. This annual awards program provides grants of up to \$2500 to local greenway projects for any activities related to greenway advocacy, planning, design or development.

D.4.8. Land Trusts

Many environmental land trust organizations have raised funds to purchase land where trails are built, especially rail-trails. Upstate Forever serves as land trust for the entire Upstate region, including Greenville. The Palmetto Conservation Foundation is a statewide nonprofit with a history of establishing conservation easements and building trail networks, including the cross-state Palmetto Trail.

⁵ Information from the Trails and Greenways Clearinghouse at the Rails-to-Trails Conservancy: